

2550 Golf Road
Rolling Meadows, IL 60008

Telephone: 312/640-7000

EVANS / **EVANS RAILCAR**
PRODUCTS COMPANY **LEASING COMPANY**
DIVISION

RECORDING NO. **14018**

MAY 19 1983 - 11 30 AM

May 19, 1983

INTERSTATE COMMERCE COMMISSION

Office of the Secretary
Interstate Commerce Commission
Washington, D.C.

Re: Equipment Lease Agreement Lease
Dated as of April 25, 1983

Gentlemen:

Pursuant to 49 U.S.C. § 11303 of the Interstate Commerce Act and the rules and regulations promulgated thereunder, as amended, we hand you herewith for filing seven (7) fully executed counterparts of the above-referenced Equipment Lease Agreement (the "Lease") all as more fully described herein.

The parties to the Lease are:

Lessee: Evans Railcar Leasing Company
2550 Golf Road
The East Tower, Suite 1000
Rolling Meadows, Illinois 60008

Lessor: American Fletcher Leasing Corporation
111 Monument Circle
Suite 510
Indianapolis, Indiana 46277

A description of the cars covered by the Lease is contained in Schedule I hereto.

Enclosed is Rosenthal and Schanfield check no. 29824 in the amount of \$50.00 in payment of all applicable recording fees.

3-139A031
No. **MAY 19 1983**
Date. **50.00**
Fee \$.
ICC Washington, D.C.
RECEIVED
O.C.
OPERATION BR.
MAY 19 1983
11 23 AM '83

Cheney - C. Koppelman

May 12, 1983
Page Two

Since the above-mentioned Lease is being delivered to you by hand, we would appreciate it if you could return to the person delivering the same duly stamped copies of the documents not required to be kept by you. If this is not possible, please return the same by mail to:

Mr. I. Walter Deitch
Rosenthal and Schanfield
55 East Monroe Street, Suite 4620
Chicago, Illinois 60603

Very truly yours,

EVANS RAILCAR LEASING COMPANY

By 

Vice President

Enclosures

SCHEDULE I
to the
Equipment Lease Agreement
dated as of April 25, 1983
between
American Fletcher Leasing Corporation ("Lessor")
and
Evans Railcar Leasing Company ("Lessee")

DESCRIPTION OF EQUIPMENT

The Equipment covered by the Equipment Lease Agreement identified above is as follows:

<u>QUANTITY</u>	<u>UNIT DESCRIPTION</u>	
Sixty (60)	21,000 gallon general purpose insulated heater-piped tank cars bearing the following specifications and dimensions:	
	<u>DOT CLASS</u>	
	TTTA100W-3	
	<u>CAPACITY AND WEIGHT</u>	
	Nominal Capacity in Gallons	21,000
	Shell Capacity in Gallons (nominal + 2% outage)	21,004
	Allowable Weight Per Gallon, lbs.	9.32
	Lightweight, lbs.	71,000
	Capacity, lbs.	192,000
	Maximum Weight on Rail, lbs.	263,000
	<u>HEATER PIPES</u>	
	Design	Exterior Heater
	Inlets and Outlets	Two 2" inlets; Two 2" Outlets
	Number of Runs	12 Runs-6" 1/2 Oval
	<u>INSULATION</u>	
	Thickness & Type	4" Fiberglass
	Jacket	11 Gauge Steel
	<u>TOP FITTINGS</u>	
	Manway	20"
	Top Unloading Valve	2" Ball, Screwed, S.S. Ball & Stem
	Siphon Pipe	2" Steel
	Gauging Device	Visual Bar-Steel
	Safety Valve	75 P.S.I.
	Vacuum Relief Valve	Stainless Steel
	<u>BOTTOM FITTINGS</u>	
	Bottom Unloading Valve	30 Units with 6" Clapper and 30 Units with 3" Ball (Alt.) Bottom Operated with/C.S. Fittings
	Valve Connection	4" Adapter with 2" Plug

Car Reporting Marks USLX 22231-22290

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

Mr. I. Walter Deitch
Rosenthal and Schanfield
55 East Monroe Street
Suite 4620
Chicago, Illinois 60603

May 19, 1983

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 5/19/83 at 11:30AM , and assigned re-recording number(s). 14018

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

RECORDATION NO. 14018

MAY 19 1983 - 11 30 AM

INTERSTATE COMMERCE COMMISSION

Equipment Lease Agreement

dated as of April 25, 1983

between

Evans Railcar Leasing Company,
an Illinois corporation

and

American Fletcher Leasing Corporation,
an Illinois corporation

EQUIPMENT LEASE AGREEMENT

THIS EQUIPMENT LEASE AGREEMENT is dated as of April 25, 1983 and is entered into between Evans Railcar Leasing Company, an Illinois corporation and American Fletcher Leasing Corporation, an Illinois corporation with respect to the following:

RECITALS

- (a) Lessee desires to acquire the use of the Equipment;
- (b) Lessee desires that Lessor purchase the Equipment and lease the Equipment to Lessee;
- (c) Lessor desires to purchase the Equipment and lease the Equipment to Lessee, subject to the terms and conditions of this Lease.

For purposes of convenience, this Lease is divided into sections; it being understood, however, that all sections herein are considered together as part of one and the same document.

1 DEFINITIONS. Unless the context otherwise requires, the following terms shall have the following meanings for all purposes of this Lease and shall be equally applicable to both the singular and the plural forms of the terms herein defined:

1.1 "After-Tax Cash Flows" shall mean the amount of cash resulting from the accumulations of the following cash flows: rent, assumed residual value, investment (Original Cost), investment tax credit and brokerage fees.

1.2 "After-Tax Economic Yield" shall mean the earnings rate on Lessor's investment (Original Cost) utilizing the internal rate of return method of analysis where the investment is the present value and the other after tax cash flows are the following: rent, investment tax credit, assumed residual value, brokerage fees and ACRS deductions.

1.3 "Code" shall mean the Internal Revenue Code of 1954, as amended.

1.4 "Date of Acceptance" with reference to any Unit shall mean the date on which such Unit is ready to be placed in service for its intended use and is accepted by Lessee as being subject to the Lease as confirmed by a Supplement.

1.5 "Equipment" shall mean collectively the items of equipment specified in Schedule A to this Lease.

1.6 "Event of Default" shall have the meaning set forth in section 14 of this Lease.

1.7 "Event of Loss" shall have the meaning set forth in section 11.7 of this Lease.

1.8 "Imposts" shall have the meaning set forth in section 11.6 of this Lease.

1.9 "Indemnity" shall have the meaning set forth in section 11.16 of this Lease.

1.10 "Lease" shall mean this Equipment Lease Agreement dated as of April 25, 1983 between Lessor and Lessee, together with all Schedules thereto and Supplements executed in connection therewith.

1.11 "Lessee" shall mean Evans Railcar Leasing Company, and Illinois corporation.

1.12 "Lessor" shall mean American Fletcher Leasing Corporation, an Illinois corporation.

1.13 "Original Cost" with respect to any Unit or Units shall mean the full purchase price of such Unit or Units paid by Lessor, including, but not limited to, freight, sales tax and installation costs, as invoiced by the vendor (including any reimbursement of Lessee of deposits paid) and as confirmed by a Supplement identifying such Unit.

1.14 "Prime Rate" shall mean the annual interest rate that American Fletcher National Bank and Trust Company, Indianapolis, Indiana designates, from time to time during the Term of Lease, as its prime rate.

1.15 "Regulations" shall mean proposed, temporary or final Regulations of the Secretary of the Treasury adopted or published under and pursuant to the Code.

1.16 "Rental Payment" or in the aggregate "Rental Payments" shall have the meaning set forth in section 5 of the Lease and shall include all amounts due pursuant to sections 5, 6 and 11.17 of the Lease.

1.17 "Rental Payment Date" shall mean a date on which a Rental Payment is due.

1.18 "Stipulated Loss Value" on any Rental Payment Date shall mean, with reference to any Unit, an amount determined by multiplying the Original Cost with reference to such Unit by the percentage specified in Schedule B to this Lease opposite the number identifying the consecutive Rental Payment then due.

1.19 "Supplement" shall mean a Supplement to the Lease substantially in the form of Schedule C to the Lease which identifies the Units that have

been accepted by Lessee, confirms Lessee's acceptance under the terms of this Lease, and confirms that the Units have been leased by Lessor to Lessee pursuant to the terms of this Lease.

1.20 "Tax Loss" shall have the meaning set forth in section 11.17 of this lease.

1.21 "Tax Indemnity Payment" shall have the set forth in section 11.17 of this Lease.

1.22 "Tax Indemnity Payment Date" shall have the meaning set forth in section 11.17 of this Lease.

1.23 "Term of Lease" shall have the meaning set forth in section 4 of this Lease.

1.24 "Unit" shall mean an individual item of Equipment as specified in Schedule A to this Lease. More Units than one are sometimes collectively referred to as Units.

1.25 "Vendor" shall mean Evans Transportation Company, an Illinois corporation.

2 LEASE. Subject to the terms and conditions of this Lease, Lessor agrees to lease to Lessee, and Lessee agrees to lease from Lessor, the Equipment; provided, however, that Lessor shall have no obligation to purchase for, and lease to Lessee any Unit that shall not have been delivered by the supplier thereof to, and accepted by, Lessee no later than June 30, 1983. Lessee hereby agrees that it shall accept each and every Unit following a reasonable opportunity to inspect each Unit, if each Unit conforms to the specifications set forth in the purchase order, and in no event shall Lessee unreasonably withhold its acceptance. On the Date of Acceptance of a Unit or at such time or times following the Date of Acceptance of a Unit as Lessor may reasonably specify to Lessee, Lessor and Lessee shall enter into a Supplement with reference to such Unit. The Supplement shall be executed and delivered on the date of payment by the Lessor to the Vendor of the purchase price of the Equipment and shall cover all of the Units to be leased hereunder. Notwithstanding the acceptance and delivery of Units to, and their possession and use by, Lessee, Lessor shall and does hereby retain the full legal title to and property in the same, it being expressly understood that this Lease is an agreement of lease only.

3 NET LEASE; OFFSET. This Lease is a net lease, and Lessee shall not be entitled to any abatement of Rental Payments or other payments due under this Lease or any reduction of Rental Payments under any circumstances or for any reason whatsoever other than a breach by Lessor of its covenants and

agreements set forth in Section 8 hereof. Subject to the first sentence of this Section 3, Lessee hereby waives any and all existing and future claims, as offsets, against any Rental Payments or other payments due hereunder and agrees to pay the Rental Payments and other amounts due hereunder as and when due regardless of any offset or claim which may be asserted by Lessee or on its behalf. This Lease shall not terminate, or the respective obligations of Lessor or Lessee be otherwise affected, or Lessor have any liability whatsoever to Lessee, by reason of any failure or delay in delivery of any or all Units of Equipment, any defect in or damage to or loss or destruction of any or all Units of Equipment from whatever cause, the prohibition of Lessee's use of the Equipment or any Unit thereof, the interference with such use by any government, person or corporation, the invalidity or unenforceability or lack of due authorization or other infirmity of this Lease, any lack of right, power or authority of Lessor or Lessee to enter into this Lease or any other cause whether similar or dissimilar to the foregoing.

4 TERM. The Term of Lease for each Unit shall commence on the Date of Acceptance of such Unit (as confirmed in the Supplement relating to such Unit) and, unless sooner terminated as provided herein, shall terminate on November 30, 1995. If the Term of Lease is extended, the phrase "Term of Lease", as used in this Lease, shall be deemed to include the extended term. This Lease may not be terminated by Lessor except as expressly provided herein and may not be terminated or cancelled by Lessee for any reason whatsoever, unless otherwise expressly provided herein.

5 RENTAL PAYMENTS. Lessee covenants and agrees to pay to Lessor the following Rental Payments.

5.1 Interim Rent. For the use of each Unit during the period beginning on the Date of Acceptance of such Unit and ending on May 31, 1983, Lessee covenants and agrees to pay to Lessor a rental payment, (hereinafter referred to as "Interim Rent"), in an amount equal to (a) the product of (i) the Original Cost of such Unit and (ii) 0.040% (b) multiplied by the number of days such Unit is subject to the Lease to and including May 31, 1983. The Interim Rent shall be due and payable with the initial payment of Basic Rent.

5.2 Basic Rent. With respect to the each Unit, Lessee covenants and agrees to pay to Lessor, as rental for each Unit, one hundred and fifty (150) consecutive monthly rental payments (herein referred to as "Rental Payment" or in the aggregate as "Rental Payments") in arrears, each such Rental Payment being in an amount equal to 1.20% of the Original Cost of such Unit, payable on the last day of each calendar month beginning on June 30, 1983 and ending on November 30, 1995.

6 LATE PAYMENTS. In the event that any Rental Payment or other payment due from Lessee to Lessor pursuant to this Lease shall be received later than five (5) days after its due date, Lessee shall pay to Lessor, upon demand by Lessor, as additional rental, (a) a fee equal to five percent (5.0%) of the applicable payment amount and (b) amounts paid by Lessor to third parties relevant to the collection of such amount.

7 PLACE OF PAYMENT. All Rental Payments and other payments required to be made by Lessee to Lessor hereunder shall be made by check mailed to Lessor at Post Office Box 70099, Chicago, Illinois 60670 or at such other place as Lessor may from time to time designate in notice to Lessee.

8 LESSOR'S WARRANTIES AND COVENANTS. Lessor hereby represents and warrants to Lessee that (i) Lessor is a corporation duly organized, validly existing and in good standing under the laws of the State of Illinois; (ii) on the Date of Acceptance, Lessor has received whatever title was conveyed to it by the Vendor of the Equipment; (iii) Lessor has the right to lease the Equipment to Lessee in accordance with the terms of this Lease; and (iv) this Lease has been duly authorized, executed and delivered by Lessor and constitutes the legal, valid and binding obligation of Lessor in accordance with its terms. Lessor hereby covenants and agrees that (v) subject to Lessee's performance of its covenants and obligations hereunder, neither Lessor nor any person claiming through or under Lessor will disturb Lessee's peaceful and quiet possession and use of the Equipment during the term hereof and (vi) Lessor will characterize the relationship herein established as a lease and will treat it as such for all purposes.

9 LESSOR'S DISCLAIMERS. THE WARRANTIES SET FORTH IN THE PRECEEDING SECTION OF THIS LEASE ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES OF LESSOR WHETHER WRITTEN, ORAL OR IMPLIED; AND LESSOR SHALL NOT, BY VIRTUE OF HAVING PURCHASED FOR, AND LEASED THE EQUIPMENT TO, LESSEE UNDER THIS LEASE, OR HAVING EXECUTED AND DELIVERED ANY BILL OR BILLS OF SALE PURSUANT TO THIS LEASE, BE DEEMED TO HAVE MADE ANY REPRESENTATION, WARRANTY OR COVENANT WITH RESPECT TO THE MERCHANTABILITY, FITNESS, CONDITION, QUALITY, DURABILITY OR SUITABILITY OF ANY UNIT IN ANY RESPECT OR IN CONNECTION WITH OR FOR THE PURPOSES AND USES OF LESSEE, AND LESSOR HEREBY DISCLAIMS ANY OTHER REPRESENTATION OR WARRANTY OF ANY NATURE, EITHER EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, (i) THE DESIGN OR CONDITION OF THE EQUIPMENT, (ii) ITS MERCHANTABILITY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE, (iii) THE QUALITY OF THE MATERIAL OR WORKMANSHIP OF THE EQUIPMENT, OR (iv) CONFORMITY OF THE EQUIPMENT TO THE PROVISIONS AND SPECIFICATIONS OF ANY PURCHASE ORDERS RELATING THERETO, IT BEING UNDERSTOOD THAT LESSEE ACCEPTS THE EQUIPMENT FOR THE PURPOSES HEREOF "AS IS". Lessor hereby authorizes Lessee during the Term of this Lease to assert for the Lessor's account all of its right, title and interest in, under and to any warranty in respect of the Equipment issued by

the manufacturer thereof, and agrees to execute and deliver such further instruments as may be reasonably necessary to enable Lessee to enforce such warranty. All claims or actions on any warranty shall be made or prosecuted by Lessee, at its sole cost and expense, and Lessor shall have no obligation whatsoever to make any claim on such warranty. Any recovery under such a warranty shall be applied first to restore the Equipment to the condition required by this Lease; second, to pay the reasonable out-of-pocket expenses Lessee incurs in enforcing such warranty claim; and third, to pay any balance to Lessor. Lessor further authorizes Lessee to obtain whatever service to the Equipment the manufacturer customarily renders, provided that no such service shall be at the cost or expense of the Lessor. Lessee agrees to indemnify and hold harmless Lessor from and against any and all claims, and all costs, expenses, damages, losses and liabilities incurred or suffered by Lessor as a result of, or incident to, any action by Lessee pursuant to the above authorization..

10 LESSEE'S WARRANTIES. Lessee hereby represents and warrants to Lessor as follows:

10.1 ORGANIZATION, POWER, ETC. Lessee (i) is a corporation duly organized, validly existing and in good standing under the laws of the state of Illinois, (ii) is qualified to do business in every jurisdiction in which such qualification is necessary and (iii) has the power and authority to own its properties and to carry on its business as now being conducted.

10.2 VALIDITY OF LEASE. The execution, delivery and performance by Lessee of this Lease has been duly authorized by all requisite action and will not violate any provision of law, any order of any court or other agency of government, the Articles of Incorporation or By-Laws of Lessee, or any indenture, agreement or other instrument to which it is a party, or by which it or any of its property is bound, or result in a breach of or constitute (with due notice and/or lapse of time) a default under any such indenture, agreement or other instrument, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of its property or assets; and no registration with, or approval of, any governmental agency or commission is necessary for the execution, delivery or performance by Lessee of the terms of this Lease, or for the validity and enforceability thereof; and this Lease constitutes the legal, valid and binding obligation of Lessee in accordance with its terms.

10.3 OTHER AGREEMENTS. Lessee is not in default in the performance,

observance or fulfillment of any obligations, covenants or conditions set forth in any agreement or instrument to which it is a party.

10.4 TAXES. Lessee has filed all Federal, State, county and municipal tax returns which are required to have been filed by it and has paid all taxes which have become due pursuant to such returns or pursuant to any assessment received by it, and Lessee does not know of any basis for additional assessment in respect of such taxes.

10.5 LITIGATION. There is not now pending against or affecting Lessee, nor to its knowledge is there threatened, any action, suit or proceeding at law, in equity or by or before any administrative agency which, if adversely determined, would materially impair or affect Lessee's financial condition or operations.

10.6 PRINCIPAL PLACE OF BUSINESS. Lessee's principal place of business and headquarters is in Cook County, State of Illinois.

10.7 1982 CORPORATE PROFILE. The 1982 Corporate Profile of Evans Transportation Company given to Lessor with respect to Lessee and affiliates of Lessee is accurate and correct in all material respects and complete insofar as completeness may be necessary to give Lessor a true and accurate knowledge of the subject matter.

11 COVENANTS. Lessee covenants as follows:

11.1 PAYMENT OF RENT AND OTHER MONIES. Subject to the performance by Lessor of its covenants and agreements set forth in Section 8 hereof, Lessee shall promptly pay Lessor each and every Rental Payment and all other amounts payable by it under this Lease without asserting any setoff, counterclaim or other defense for any reason whatsoever.

11.2 USE OF EQUIPMENT. Lessee shall use and operate the Equipment (i) in a careful and proper manner, (ii) solely in the conduct of its business, (iii) in a manner and for the use contemplated by the manufacturer thereof and (iv) in compliance with all laws, rules and regulations of every governmental authority having jurisdiction over the Equipment. Lessee shall not, without the prior consent of Lessor, affix or install any part, accessory or device on any Unit if the same will impair the originally intended function or use of such Unit. Lessee shall pay all costs, expenses, fees and charges incurred in connection with the use and operation of the Equipment. Lessee shall comply in all respects with all laws of the jurisdictions in which the Units may be operated, with the interchange rules of the Association of American Railroads, if applicable, and with all rules of the Department of Transportation and the Interstate Commerce Commission and any other legislative executive, administrative or judicial body exercising any power or jurisdiction over the Units. In the

event that such laws or rules require the alteration of the Units or in case any equipment or appliance on any such Unit shall be required to be changed or replaced or in case any additional or other equipment or appliance is required to be installed on such Unit in order to comply with such laws and rules, the Lessee agrees to make such alterations, changes, additions and replacements at its own expense; and the Lessee agrees at its own expense to use, maintain and operate such Unit in full compliance with such laws and rules so long as it is subject to this Lease; provided, however, that the Lessee, upon notice to the Lessor, may, in good faith, contest the validity or application of any such law or rules in any reasonable manner which does not adversely affect the property or rights of the Lessor hereunder.

11.3 INSPECTION. Subject to the rights of any sublessee under a sublease permitted by section 11.14.1 hereof, Lessee shall permit any person designated by Lessor, at Lessor's expense and at its option, to visit and inspect the Equipment, or any part thereof, and any records pertaining to the use and maintenance thereof, at such reasonable times and places and as often as Lessor may reasonably request. Lessor is under no duty or obligation to inspect the Equipment.

11.4 ALTERATIONS. Without the prior consent of Lessor, Lessee shall not make any alterations, additions or improvements to a Unit of Equipment except as may be required pursuant to section 11.2 above. All additions and improvements of whatsoever kind or nature made to a Unit of Equipment shall be deemed accessions thereto, shall belong to and immediately become the property of Lessor and shall be returned to Lessor with such Unit upon the expiration or earlier termination of this Lease with respect thereto.

11.5 MAINTENANCE. Lessee shall at its own cost and expense, maintain or cause the Equipment to be maintained, serviced and repaired so as to keep it in as good operating condition, good working order, repair and appearance as it was when it first became subject to this Lease, ordinary wear and tear excepted.

11.6 TAXES. In addition to the Rental Payments and other amounts payable by Lessee under this Lease, Lessee shall pay promptly all taxes, assessments, license fees and governmental charges, municipal, state Federal and foreign (herein referred to as "Imposts"):

11.6.1 levied or assessed against Lessee (i) in respect of this Lease or the sales contracts issued in connection with the purchase of the Equipment, (ii) upon the interest of the Lessee in the Equipment, (iii) upon the use or operation thereof, or (iv) upon the earnings of Lessee arising therefrom; or

11.6.2 levied or assessed against Lessor (i) on account of the purchase, lease, ownership, possession, maintenance, delivery, or return of the Equipment, (ii) on account of or measured by the use or

operation thereof, or (iii) on account of or measured by the earnings or rentals in respect of the Lease (excluding, however, any income taxes payable by Lessor to the United States or any state or political subdivision thereof or to any other governmental entity (except any such tax which is in substitution for, or relieves Lessee from the payment of, any tax or other charge for which Lessee would otherwise be obligated to pay as provided herein), but including any excise, franchise (imposed only as a result of the business, transactions or facts directly related to this Lease and the Equipment covered hereunder), sales, use or similar tax imposed on Lessor, on account of the use or sale of the Equipment by, to or for the account of Lessee hereunder), provided, however, that Lessee shall not be required to pay any such Imposts if and so long as Lessee shall in good faith, with due diligence and by appropriate legal or administrative proceedings contest the validity, applicability or amount thereof. If a claim is made against Lessor for any Imposts payable by Lessee hereunder, Lessor shall promptly notify Lessee, and if Lessor pays such claim, Lessee will promptly reimburse Lessor for such payment, provided, however, that Lessee shall not be required to pay any such Imposts if and so long as Lessee shall in good faith, with due diligence and by appropriate legal or administrative proceedings contest the validity, applicability or amount thereof. If any Impost payable by Lessee hereunder is, by law, to be assessed or billed to Lessor, Lessee shall, at its expense, do any and all things required to be done by Lessor in connection with the levy, assessment, billing or payment thereof; and Lessor hereby authorizes Lessee to act for and on behalf of Lessor in connection therewith, but Lessee shall indemnify and hold harmless Lessor from and against any and all claims and all costs, expenses, damages, losses and liabilities incurred or suffered by Lessor in connection therewith, as a result of, or incident to, any action by Lessee pursuant to the above authorization. Lessee shall cause all billing of Imposts levied against Lessor to be made to Lessor in care of Lessee, and shall, from time to time, on request of Lessor, submit written evidence of the payment of such Imposts.

11.7 LOSS OF EQUIPMENT. Lessee shall bear the risk of the Equipment being lost, destroyed or otherwise rendered permanently unfit or unavailable for use (herein called an "Event of Loss") after its delivery to Lessee, or, at such other earlier time that Lessee or Lessor is obligated to bear such risk. For the purposes of this Lease, a Unit shall be deemed to have been otherwise rendered permanently unfit or unavailable for use, without limiting the general meaning of such phrase, if any such Unit shall have been (i) confiscated, condemned or taken by any governmental body, de facto or de jure, by exercise of the power of eminent domain or otherwise, and notice thereof shall have been delivered to the Lessee and confirmed (ii) damaged to such an extent rendering repair impracticable or uneconomic and notice thereof shall have been delivered to the Lessee and confirmed or (iii) stolen or misappropriated and not recovered by Lessee within sixty (60) days after discovery or notice thereof. At such time as an Event of Loss shall occur with respect to a Unit, Lessee shall promptly notify Lessor thereof and shall pay to Lessor on the next Rental Payment Date after the first to occur of:

11.7.1 the date on which the 60-day period following the occurrence of such an Event of Loss shall have expired; and

11.7.2 the date on which there shall be made any payment of any proceeds of insurance or of any condemnation, confiscation or other taking in respect thereof, or the date on which any underwriter of insurance on the Equipment shall advise Lessor or Lessee that it disclaims liability in respect of such Event of Loss, if it disclaims liability,

in addition to the Rental Payment then due, an amount equal to the Stipulated Loss Value of such Unit. In such an event, Lessee shall continue to pay the Rental Payment applicable to such Unit until the Rental Payment Date on which Lessor receives payment in full of the Stipulated Loss Value of such Unit, whereupon Lessee's obligations to pay Rental Payments with respect to such Unit shall terminate. Upon payment by Lessee of the Stipulated Loss Value of such Unit and any other payments due but unpaid with respect to such Unit, Lessee may sell such Unit and apply the proceeds of any such sale first to itself to recover the Stipulated Loss Value and any excess thereof shall be transmitted to Lessor.

11.8 DISPOSITION OF PROCEEDS. The proceeds of settlement on account of the loss, theft, destruction or damage beyond economical repair of any Unit or of any confiscation, condemnation or other taking in respect of a Unit as to which an Event of Loss has occurred shall be paid to and retained by Lessor provided, however, that if Lessee has previously made full payment to Lessor with respect to such Event of Loss pursuant to section 11.7 of this Lease, then Lessor shall pay to Lessee an amount that is equal to the lesser of (i) the amount that Lessee paid to Lessor with respect to the Event of Loss pursuant to section 11.7 of this Lease, and (ii) the amount of such proceeds received by Lessor. The proceeds of settlement in respect to damage to a Unit, the repair of which is practicable shall be paid to Lessor and, unless an Event of Default hereunder has occurred and is continuing, shall be applied either to such repair or to the reimbursement of Lessee for the cost of such repair, at the election of Lessee, after such repair has been made and such Unit has been restored to good operating condition.

11.9 IDENTIFICATION. Lessee shall, at its own cost and expense, cause each Unit to be legibly marked in letters one inch in height the following: "TITLE TO THIS CAR IS SUBJECT TO DOCUMENTS FILED WITH THE INTERSTATE COMMERCE COMMISSION". Lessee shall not remove or deface, or permit to be removed or defaced, any such plate, disc or other marking or the identifying manufacturer's serial number with respect to such Unit, and, in the event of any such removal or defacement, Lessee shall promptly cause such decalcomania or other marking or serial number to be replaced. Lessee shall not allow the name of any person, association or corporation

to be placed on any Unit in any manner that might be interpreted as a claim of ownership; provided, however, that Lessee may cause the Equipment to be lettered with the names or initials or other insignia customarily used by Lessee or Lessee's customers on equipment used by it of the same or a similar type as the Equipment for convenience of identification of its rights to use the Equipment as permitted under this Lease.

11.10 PRINCIPAL PLACE OF BUSINESS. Lessee agrees that if it changes its principal place of business and headquarters from the location set forth in section 10.6 of this Lease it shall notify Lessor of such change within 60 days thereof.

11.11 INDEMNITY. Lessee agrees to indemnify and hold harmless Lessor from and against, on an after-tax basis, any and all liabilities, obligations, expenses, claims (including claims for negligence or strict liability in tort), losses, costs, disbursements (including legal fees and expenses), actions, suits, judgments, penalties and damages of whatsoever kind and nature (herein referred to individually as "Indemnity" and collectively as "Indemnities") imposed on, incurred by or asserted against Lessor or any successors or assigns of Lessor, in any way relating to or arising out of this Lease or arising out of any of the letters, agreements or instruments executed in connection with this Lease, including, but not limited to:

(i) the manufacture, purchase, delivery, non-delivery, acceptance or rejection, ownership, management, lease, control, possession, use, operation, storage, condition, sale, return or other disposition, of the Equipment, or any part thereof,

(ii) the use in or about the construction or operation of the Equipment of any design, article, or material which infringes or is claimed to infringe on any patent, trademark, copyright or other right, or

(iii) the failure of Lessee to observe and conform to the statutes, ordinances or other regulations or requirements of any governmental authority applicable or relating to the Equipment. Notwithstanding any of the foregoing Lessee shall have no obligation for any Indemnities arising out of the gross negligence or willful misconduct of Lessor.

The covenant of indemnity contained in this subsection shall continue in full force and effect notwithstanding the full payment of all amounts due hereunder or the termination of this Lease in any manner whatsoever.

The Lessee's obligations under the Indemnities provided for in this Lease shall be those of a primary obligor regardless of whether the Lessor shall also be indemnified with respect to the same matter under the terms of any other document or instrument, and the Lessor may proceed directly against the Lessee without first seeking to enforce any other right of indemnification. Upon the payment in full by the Lessee of any Indemnity provided for under this Lease, the Lessee shall be subrogated to any right of the Lessor in respect of the matter as to which such Indemnity was paid. Lessor covenants and agrees to notify Lessee immediately of

Lessor's receipt of notice of any claim against which Lessor is indemnified hereunder and Lessee shall have the absolute right to control the defense and negotiate any settlement of any such claim except for federal, state or local tax claims which shall be controlled and negotiated solely by Lessor, provided, however, that Lessor shall notify Lessee of any such claim and shall obtain Lessee's reasonable consent prior to settling any such claim.

11.12 FEDERAL INCOME TAX INDEMNIFICATION.

11.12.1 Tax Assumptions. This Lease has been entered into on the basis of the following Federal income tax assumptions:

- (a) The Equipment constitutes "recovery property" as defined in Section 168(c)(1) of the Code and will continue to constitute "recovery property", as so defined, at all times throughout the Term of Lease.
- (b) The Equipment does not constitute and will not constitute at any time during the Term of Lease "recovery property" which is "used predominantly outside the United States" within the meaning of Section 48(a)(2) or 168(f)(2) of the Code or the Regulations promulgated thereunder as in effect on the Date of Acceptance.
- (c) The Lease is a "lease" of the Equipment for Federal income tax purposes; accordingly, Lessor will be the owner and lessor of the Equipment and Lessee will be the lessee of the Equipment for Federal income tax purposes.
- (d) Lessor will be entitled to take into account, for Federal income tax purposes, investment tax credit and ACRS recovery allowances with respect to the Equipment.
- (e) Recovery deductions with respect to the Equipment will be allowable under the Accelerated Cost Recovery System (the "ACRS Deductions") pursuant to Sections 167(a), 168(a) and 168(c)(1)(A) of the Code.
- (f) Lessor will have a basis in the Equipment under Section 168(d)(1)(A) of the Code, for purposes of computing the ACRS Deductions with respect thereto, in an amount equal to the Original Cost of the Equipment.
- (g) The Equipment constitutes "10-year property" within the meaning of Section 168(c)(2)(C) of the Code for purposes of computing the ACRS Deductions with respect thereto.

(h) Lessee will be the lessee of the Equipment and will be entitled to take into account deductions for Rental Payments made in accordance with Sections 5.1 and 5.2 of the Lease pursuant to Section 162 of the Code.

(i) The Equipment constitutes "new Section 38 property" in Lessor's hands within the meaning of Section 48(b) of the Code as in effect on the Date of Acceptance and will remain "Section 38 property" in Lessor's hands within the meaning of Section 48(b) of the Code as in effect on the Date of Acceptance at all times throughout the Term of Lease.

(j) No amount will be included, at any time prior to the disposition of the Equipment in a taxable transaction, in the gross income of Lessor as a result of any repair, improvement, alteration, modification or addition (including replacement of parts) to the Equipment made by Lessee.

11.12.2 Tax Representations. Lessee hereby represents to Lessor that the assumptions set forth in paragraphs (b), (f), (g), (i) and (j) of section 7.1 are true and correct as of the Date of Acceptance.

11.12.3 Indemnification for Loss of Tax Benefits.

11.12.3.1 If, as a result of the inaccuracy of any representation made by Lessee in section 11.12.2 Lessor for any taxable year shall not have, shall lose the right to claim, shall suffer a disallowance of or shall be required to recapture all or any portion of the tax benefits initially contemplated to be available with respect to the Equipment based upon the assumptions contained in section 11.12.1 (any such event being hereinafter referred to as a "Tax Loss"), then Lessor shall notify Lessee in writing of such Tax Loss and Lessee shall pay to Lessor, on Tax Indemnity Payment Date, the amount ("Tax Indemnity Payment") which after giving effect to such Tax Loss and after deducting all additional Federal income taxes required to be paid by Lessor in respect of the receipt of the amount paid by Lessee pursuant to this sentence, shall be equal to the sum of (x) the aggregate additional Federal income taxes payable by Lessor for such taxable year as a result of such Tax Loss, plus (y) the amount of any interest, penalties or additions to Federal income tax payable by Lessor as a result of such Tax Loss or as a result of the 30-day delay in payment of the tax as provided in section 11.13.1; provided, however, that Lessee shall not be required to so indemnify Lessor if such Tax Loss results from an Event of Loss with respect to which the Stipulated Loss Value has been paid pursuant to section 11.7 of the Lease. In no event shall the Tax Indemnity Payment be less than that amount required to

preserve both Lessor's After-Tax Economic Yield and Lessor's After-Tax Cash Flows at a level which would have been realized by Lessor if such Tax Loss has not occurred. The amount of such Tax Indemnity Payment under section 11.12.3 shall be set forth in such notice which shall (i) be signed by an officer of Lessor, (ii) state the basis upon which such amount has been determined in a manner which will permit verification by Lessee of the calculation thereof, (iii) set forth the calculations made in arriving at such amount, and (iv) certify that such amount has been determined pursuant to and in compliance with this section. The amount set forth in any notice furnished by Lessor pursuant to this section 11.12.3.1 shall be binding and final on Lessor and Lessee unless Lessee, within 30 days of receipt of such notice from Lessor, shall notify Lessor in writing that Lessee does not agree with such amount or portion thereof, in which case such amount or portion thereof, as the case may be, shall be replaced by a determination of any independent firm of certified public accountants of recognized national standing to be selected by mutual agreement between Lessor and Lessee, or failing such agreement within 30 days of Lessee's written notice to Lessor, such determination shall be made by a panel of two such independent firms, one of whom shall be chosen by Lessor and one of whom shall be chosen by Lessee, and which shall be selected within 60 days of Lessee's written notice to Lessor. Such independent firm or firms, as the case may be, shall be instructed to make such determination within 30 days following their appointment and to promptly communicate such determination in writing to Lessor and Lessee whereupon Lessee shall pay to Lessor on the Tax Indemnity Payment Date set forth in clause (b) of section 11.12.3.3 a Tax Indemnity Payment equal to the sum of (x) the amount payable with respect to such Tax Loss pursuant to such determination, and (y) interest at the annual rate of interest designated by American Fletcher National Bank and Trust Company, Indianapolis, Indiana, from time to time (the "Prime Rate") on the amount so payable computed from the day following the end of the 30-day period described above with respect to Lessor's notice to Lessee of such Tax Loss, to the day on which Lessee pays to Lessor the amount payable with respect to such Tax Loss. In the case of any such disagreement by Lessee with the amount set forth in any notice by Lessor under this section 11.12.3.1, Lessor and Lessee shall each be responsible for one-half the costs of any such independent determination.

11.12.3.2 Without limiting the generality of section 11.12.3.1, Lessor and Lessee hereby agree that under no circumstance shall Lessor be entitled to any payment under this section 11.12 in respect of any Tax Loss due in whole or in part to any one or more of the following events: (a) a sale, transfer or other disposition by Lessor or any transferee or assignee of Lessor,

or by any trustee, receiver, liquidator, or debtor in possession of Lessor of any interest in the Equipment or the Lease at any time prior to Lessor declaring the Lease to be in default pursuant to section 14 of the Lease, (b) a change in the nature of Lessor's business or liquidation thereof, (c) a failure of Lessor to timely or properly claim on Lessor's Federal income tax return any tax benefit with respect to the Equipment, (d) a failure of Lessor to have sufficient Federal taxable income against which to apply the ACRS Deductions, or sufficient Federal tax liability against which to apply the investment tax credit, or (e) an Event of Loss with respect to the Equipment or any part thereof, provided that Lessee shall have paid the Stipulated Loss Value to Lessor in respect thereof pursuant to section 11.12 of the Lease.

11.12.3.3 Lessee's Tax Indemnity Payment with respect to a Tax Loss pursuant to this section 11.12 shall become due and payable on the date (the "Tax Indemnity Payment Date") which is the later of (a) 30 days after the date of Lessor's notice pursuant to section 11.12.3.1, (b) if Lessee has notified Lessor in accordance with section 11.12.3.1 that it does not agree with the amount (or any part thereof) set forth in Lessor's notice pursuant to section 11.12.3.1, 10 days after the receipt by Lessee of the written determination by the firm or firms of certified public accountants referred to in section 11.12.3.1, or (c) (i) in the case of a Tax Loss that is, in the judgment of Lessor's independent tax counsel, required to be reflected on any of Lessor's Federal income tax returns, 30 days after such tax return is filed, (ii) in the case of a Tax Loss that results from a proposed adjustment of the Internal Revenue Service that is not contested pursuant to section 11.13, 30 days after Lessee's receipt of Lessor's notice pursuant to section 11.13.1 or (iii) in the case of a Tax Loss that results from a proposed adjustment of the Internal Revenue Service that is contested pursuant to section 11.13, 30 days after the date on which such contest is finally concluded.

11.12.3.4 If Lessor, as a result of a Tax Loss occurring under circumstances which require Lessee to make a Tax Indemnity Payment to Lessor pursuant to section 11.13.1, shall realize any tax savings which Lessor would not have realized but for such Tax Loss and Tax Indemnity Payment, Lessor shall pay Lessee, providing Lessee shall have paid such Tax Indemnity Payment to Lessor, an amount equal to the sum of such tax savings plus any other tax savings realized by Lessor as a result of any payment made by Lessor pursuant to this sentence; however, in no event shall the amount paid by Lessor to Lessee exceed the amount paid by Lessee to Lessor for such Tax Loss plus a reasonable rate of interest. Any amount payable by Lessor to Lessee pursuant to this section 11.12.3.4 shall be paid by Lessor promptly and in

any event within 30 days after Lessor realizes any such tax savings together with interest thereon, after such thirty (30) day period, at the prime rate charged by Continental Illinois National Bank and Trust Company of Chicago. Lessor shall furnish to Lessee with any such payment a statement setting forth the basis upon which such amount or amounts have been determined in the manner which will permit verification by Lessee of the calculation thereof, and certifying that such amount or amounts have been determined pursuant to and in compliance with this section 11.12.3.4.

11.12.3.5 For purposes of this section 11.12, Lessor shall mean and include the common parent or any other corporation included in the affiliated group (within the meaning of Section 1504 of the Code) of which Lessor is or becomes a member, if consolidated returns are filed for such affiliated group for Federal income tax purposes.

11.13 TAX CONTESTS.

11.13.1 If the Internal Revenue Service proposes an adjustment in the Federal income tax liability of Lessor, which adjustment, if sustained, would require Lessee to make a Tax Indemnity Payment to Lessor pursuant to Section 11.12, Lessor shall notify Lessee promptly of such adjustment and shall, for at least 30 days after giving such notice, forbear payment of any tax (including interest, penalties and additions to the tax thereon) asserted to be payable as a result of such proposed adjustment, and Lessor shall advise Lessee of all action taken or proposed to be taken by the Internal Revenue Service.

11.13.2 If Lessee shall request within 30 days after such notice by Lessor that any such proposed adjustment be contested, Lessor shall contest such proposed adjustment in good faith; provided, however, that (a) Lessor shall contest any such proposed adjustment beyond the level of administrative proceedings only if requested by Lessee in a timely request; (b) Lessor shall consult with Lessee to determine the court of competent jurisdiction in which to contest such proposed adjustment; however, the final determination shall be the sole decision of the Lessor; (c) Lessor shall keep Lessee informed as to the progress of any litigation and, if requested by Lessee, shall consult with Lessee's counsel; (d) if requested by Lessee in a timely request, Lessor shall appeal any adverse court determination; and (e) Lessor shall not settle or concede any contest without the express consent of Lessee; provided, further, that Lessor shall not be required to take any action pursuant to this sentence unless and until Lessee shall have indemnified Lessor in a manner reasonably satisfactory to Lessor for any expense which Lessor may incur as a direct result of, and which is directly allocable to, and shall have agreed to pay Lessor on demand all reasonable expenses that Lessor may incur in connection with, and which are directly allocable to, contesting such proposed adjustment (including, without limitation, all costs, expenses, reasonable legal and accounting fees, disbursements, penalties, interest and additions to the tax).

11.13.3 If Lessor shall elect to contest a proposed adjustment by paying the tax claimed (including such other amounts payable as interest, penalties, or additions to the tax) and seeking a refund, and if the proposed adjustment would be a Tax Loss with respect to which Lessee would be required to indemnify Lessor under section 11.12, then Lessee shall advance to Lessor on an interest-free basis the aggregate amount of such taxes, interest, penalties and additions to the tax which Lessor shall have paid, and if Lessor subsequently receives a refund, in whole or in part, of such taxes, interest, penalties or additions to the tax, Lessor shall promptly pay to Lessee the amount of such refunded taxes, interest, penalties or additions to the tax plus the amount of any interest received by Lessor from the United States government with respect to such refunded taxes, interest, penalties or additions to the tax.

11.13.4 Notwithstanding anything to the contrary contained in this section 11.13, Lessor may at any time decline to take any further action with respect to a proposed adjustment; provided, however, that if Lessee has properly requested such action pursuant to section 11.13.2, Lessor shall notify Lessee that Lessor waives its right to any payment by Lessee that would otherwise be payable by Lessee pursuant to section 11.12 in respect of such adjustment; provided, further, that if Lessee has made any advances to Lessor in respect of such proposed adjustment in accordance with section 11.13.3, Lessor shall promptly pay to Lessee the amount of such advance plus interest thereon at the Prime Rate from and including the date of such advance by Lessee through but not including the date of the payment to Lessee by Lessor required by this proviso.

11.14 ASSIGNMENT; LIENS.

11.14.1 Lessee shall not assign or transfer its leasehold interest under this Lease in the Equipment; provided, however, that Lessee may sublease the Equipment for any period of time not continuing beyond the termination of this Lease on terms that Lessee considers commercially reasonable, pursuant to a written sublease agreement that, by express provision therein, is made subject and subordinate to this Lease and to all the terms and provisions hereof, provided, however, that, if, with respect to Units proposed to be subleased, (i) the monthly rental contracted to be received by Lessee from a sublessee can be definitively determined at the beginning of the sublease to be equal to or exceed the monthly rental required by this Lease for such Units, (ii) the monthly rental contracted to be received by Lessee from a sublessee with respect to such Units equals or exceeds seventy-five percent (75.0%) of the monthly rental required by this Lease for such Units and such sublease terminates on or prior to June 30, 1985 or (iii) the sublease provides for a minimum rate of utilization which if attained would result in a minimum monthly rental which equals or exceeds the monthly rental required by this Lease for such Units and further provides that if,

with respect to any month, the actual monthly rental for such Units is less than such required minimum monthly rental for any such month, Lessee (or its assignee) shall be entitled, without penalty, to terminate such sublease and withdraw the Units subleased thereunder upon ninety (90) days prior notice, then Lessor agrees that so long as the sublessee is not in default under its sublease and so long as any such sublease is otherwise made subject to all terms and provisions of this Lease, neither Lessor nor any person claiming through or under Lessor will disturb sublessee's peaceful and quiet possession of the Units so subleased notwithstanding the default by Lessee hereunder. Notwithstanding any such sublease, Lessee shall at all times remain primarily liable and responsible for all the terms, conditions, and obligations under this Lease. Lessee, at its own expense, will promptly pay or discharge any and all sums claimed by any person or entity that, if unpaid, would become a lien (other than a lien resulting from claims against Lessor not related to the ownership of the Equipment) upon or with respect to the Equipment (including any accession thereto) or the interest of Lessor or Lessee therein and will promptly discharge any such lien that arises.

11.14.2 As additional consideration for the right granted to Lessee, under section 11.14.1 of this Lease, to sublease the Equipment in accordance with the provisions thereof, Lessee hereby agrees to assign, and does hereby pledge and assign, to Lessor (i) any and all sublease agreements that now exist or may hereafter be entered into with respect to the Equipment, and (ii) all rental payments due and to become due under all such sublease agreements. The Lessee shall have any such sublease duly recorded in the office of the ICC and shall pay any costs associated with such sublease or recordation. Lessee agrees to deliver an original executed counterpart thereof to the Lessor promptly after execution thereof. As long as no Event of Default under the Lease shall have occurred and be continuing, Lessor agrees that Lessee may collect and retain all rental payments due and owing under each such sublease agreement and that Lessee need not give notice to any sublessee thereunder as to the pledge and assignment hereby made by Lessee.

11.14.3 All rights of Lessor hereunder may be assigned, pledged, mortgaged, transferred or otherwise disposed of, either in whole or in part, without notice to Lessee but always, however, subject to the rights of Lessee under this Lease. If Lessee is given notice of any such assignment, Lessee shall acknowledge receipt thereof in writing and shall thereafter pay any amounts due hereunder designated in such notice as directed therein. In the event Lessor assigns this Lease or the Rental Payments due or to become due hereunder or any other interest herein, whether as security for any of its indebtedness or otherwise, no breach or default by Lessor hereunder or pursuant to any other agreement between Lessor and Lessee, should there be one, shall excuse performance by Lessee of any provision hereof, it being understood that in the event of such default or breach by Lessor, Lessee shall pursue any rights on account thereof solely against Lessor. No such assignee shall be obligated to perform any duty, covenant or condition required to be performed by Lessor under the terms of this Lease.

11.14.4 Subject always to the foregoing, this Lease inures to the benefit of, and is binding upon, the heirs, legatees, personal representatives, successors and assigns of the parties hereto.

11.15 INSURANCE. Lessee shall, at its own cost, maintain in effect throughout the Term of Lease with financially sound and reputable insurers, comprehensive general public liability insurance with respect to the Equipment, insuring Lessor against loss or damage to the persons and property of others in an amount not less than Ten Million Dollars (\$10,000,000.00) for each occurrence. Such insurance shall be primary and without right of contribution from any other insurance carried by Lessor and shall provide for 30 days' written notice to Lessor as a precondition to the effectiveness of any material alteration or cancellation of coverage thereunder. Certificates of insurance or other evidence satisfactory to Lessor, demonstrating the existence of insurance complying with the provisions of this section shall be delivered to Lessor upon Lessee's acceptance of the Equipment under this Lease and, thereafter, at least fifteen (15) days prior to the expiration of such policy.

12 SURRENDER. Upon the expiration or earlier termination of this Lease with respect to any Unit, Lessee shall, subject to the rights of sublessees, and at its own expense, return such Unit by delivering the same to Lessor at a location within the continental United States designated by Lessor. At the time of such return, such Unit shall be free and clear of all liens, encumbrances and rights of others and shall be in as good condition as when delivered to Lessee hereunder, and Lessee shall have paid the cost of any repairs necessary to restore such Unit to such condition, ordinary wear and tear excepted. Thereafter, Lessee shall have no further interest in such Unit. Lessor may keep such Unit or sell, lease or otherwise dispose of such Unit and collect and retain all proceeds received in connection therewith. If requested by Lessor, Lessee shall, prior to returning a Unit of Equipment to Lessor, provide suitable and adequate storage space at such location at which such Unit may then be located at Lessee's expense for a period not to exceed ninety (90) days during which time Lessee shall ensure that Lessor will be allowed reasonable access thereto. Lessee shall continue to remain liable for all obligations with respect to each Unit of Equipment, including, without limitation, Rental Payments during any period Lessee fails to surrender such Unit as required in this Lease.

13 PURCHASE OPTION. So long as no Event of Default (or event which would constitute an Event of Default but for the lapse of time or the giving of notice or both) shall have occurred and be continuing, Lessee shall have the option to purchase all, but not less than all, of the Equipment then leased hereunder upon the expiration of the Term of Lease with respect thereto for an amount equal to the fair market value (which shall mean the amount mutually agreed upon by Lessor and Lessee) of the Equipment. In the event that Lessee desires to exercise such option, Lessee shall do so by notice in writing to

Lessor not less than one hundred eighty (180) days prior to the date of expiration of the Term of Lease; otherwise such option shall expire. Any such notice shall specify the amount for which Lessee offers to purchase the Equipment. If Lessor accepts such offer, Lessor and Lessee shall consummate such sale immediately upon the expiration of the Term of Lease of the Equipment. If Lessor rejects such offer and Lessor and Lessee cannot agree upon a mutually agreeable amount by one hundred fifty (150) days prior to the date of expiration of the Term of Lease, Lessor and Lessee shall then have the fair market value of the Equipment determined by American Appraisal Company, Milwaukee, Wisconsin or by another nationally prominent appraiser acceptable to Lessor and Lessee by one hundred thirty five (135) days prior to the date of expiration of the Term of Lease. Lessor and Lessee agree that the purpose of any such appraisal is merely to give Lessor and Lessee an independent opinion as to the fair market value of the Equipment and that such opinion shall have no binding effect of whatsoever nature on either Lessor or Lessee. In the event that Lessor and Lessee cannot agree upon a mutually agreeable amount by one hundred twenty (120) days prior to the expiration of the Term of Lease, then neither Lessor nor Lessee shall be required to take any further action pursuant to this section 13. Unless Lessor shall otherwise agree in writing, payment in full of the amounts to be paid to Lessor shall be made, in cash, on or prior to the date such sale is consummated. Lessor and Lessee shall each pay one-half of the cost of any appraisal made pursuant to this section 13.

14 EVENTS OF DEFAULT. The occurrence of any of the following shall constitute an Event of Default hereunder:

14.1 DEFAULT IN PAYMENT. Lessee shall fail to pay all or any part of a Rental Payment or other payment hereunder when and as the same shall become due and payable, and shall continue to fail to do so for a period of five (5) days after notice thereof by Lessor to Lessee.

14.2 BREACH OF WARRANTY. Any representation or warranty made in this Lease shall prove to have been false or misleading in any material respect as of the date on which the same was made.

14.3 BREACH OF COVENANT. Lessee shall fail to duly observe or perform any covenant, condition or agreement made by it hereunder or under any other agreement between Lessor and Lessee, and such failure shall not, within the earlier of thirty (30) days after notice thereof shall have been given to Lessee by Lessor, or thirty (30) days after the date that Lessor is notified of such failure or should have been so notified pursuant to an affirmative covenant of Lessee in the Lease, have been remedied to Lessor's satisfaction, such satisfaction to be evidenced by a written declaration of Lessor filed with Lessee.

14.4 BANKRUPTCY, RECEIVERSHIP, INSOLVENCY, ETC. Bankruptcy, receivership,

insolvency, reorganization, dissolution, liquidation or other similar proceedings shall be instituted by or against Lessee or a material part of its property under Federal bankruptcy laws as presently existing or as amended or under a future bankruptcy law of the United States or other law of the United States or of any state or other competent jurisdiction, and, if against Lessee, it shall consent thereto or shall fail to cause the same to be discharged within sixty (60) days.

14.5 GUARANTOR; OTHER PARTY. The occurrence of any event described in sections 14.2, 14.3 or 14.5 with respect to any guarantor or any other party liable for payment or performance of this Lease.

15 REMEDIES. If an Event of Default hereunder shall occur and be continuing, Lessor may exercise any one or more of the following remedies:

15.1 TERMINATION OF AGREEMENT. Terminate this Lease and Lessee's rights hereunder.

15.2 SPECIFIC PERFORMANCE OR DAMAGES. Proceed, by appropriate court action or actions either at law or in equity, to enforce performance by Lessee of the applicable covenants of this Lease or to recover damages for the breach thereof, or both.

15.3 REPOSSESSION. Subject always to any mandatory requirements of applicable law then in effect and subject to the rights of any sublessees under their subleases:

15.3.1 personally, or by agents or attorneys, retake possession of the Equipment, or any Unit, from Lessee (and any items in or on the Equipment at the time of repossession, wherever such items may be, shall be held in storage for Lessee, at Lessee's expense, without liability on the part of Lessor), without notice or hearing or other process of law, without liability to return to Lessee any Rental Payment or other payments previously made and free from all claims made by Lessee, and for that purpose Lessor may enter upon Lessee's premises where any of the Equipment is located, remove the same without liability for suit, action or proceeding by Lessee and, use in connection with such removal any and all services, supplies, aids and other facilities of Lessee; or

15.3.2 retake possession of the Equipment, or any Unit thereof, without liability to return to Lessee any Rental Payment or other payments theretofore made and free from all claims by Lessee, by directing Lessee to assemble the Equipment and deliver the same to Lessor at the place designated by Lessor in Indianapolis, Indiana, Chicago, Illinois, or at such other place that Lessor shall designate, in which event Lessee shall, at its own expense, forthwith

cause the same to be moved to the place so designated and there delivered to Lessor; it being understood that Lessee's obligations so to deliver the Equipment are of the essence of this Lease and that, accordingly, upon application to a court of equity having jurisdiction, Lessor shall be entitled to a decree requiring specific performance by Lessee of such obligations.

Lessor may, without charge, pending further action by Lessor as hereinafter provided, keep any of the Equipment repossessed by Lessor on the premises of Lessee; provided, however, that if the storage of the Equipment thereon materially interferes with the efficient operation of such premises, the Equipment shall be removed to and stored (at the expense of Lessee) at any other location mutually agreed upon by Lessor and Lessee.

15.3.3 In the event Lessor repossesses the Equipment, Lessor shall, (a) lease the Equipment, or any portion thereof, in such manner, for such time and upon such terms as Lessor may determine, (b) sell the Equipment, or any portion thereof, at one or more public or private sales, in such manner at such time or times and upon such terms as Lessor may determine, or (c) otherwise dispose of, hold, use, operate or keep idle any Unit of Equipment as Lessor in its sole discretion may determine.

15.3.3.1 In the event that Lessor shall enter into a lease or leases to an unrelated third party of any Units that have been repossessed by Lessor from Lessee pursuant to this Lease, Lessee shall pay to Lessor the excess, if any, of the net present value (calculated at twelve percent (12.0%) per annum) of the Rental Payments then remaining unpaid under this Lease over the net present value (calculated at twelve percent (12.0%) per annum) of the rentals contracted to be received on or prior to November 30, 1995 by Lessor from such third party, and Lessee shall also pay to Lessor an amount equal to the sum total of (i) any and all expenses and fees (including attorneys' fees) incurred by Lessor in retaking possession of, and removing, storing and leasing such Units, (ii) the costs and expenses incurred by Lessor, if any, in repairing such Units to the state of repair required by section 11.5 of this Lease, (iii) all Rental Payments then due and unpaid under this Lease and (iv) any and all other sums then owing to Lessor by Lessee pursuant to this Lease.

15.3.3.2 In the event that Lessor shall sell or otherwise dispose of (other than pursuant to a lease) any Unit, the proceeds shall be applied to the payment of (i) any and all expenses and fees (including attorneys' fees) incurred by Lessor in retaking possession of, and removing, storing and selling or

otherwise disposing of such Unit, (ii) the costs and expenses incurred by Lessor, if any, in repairing such Unit to the state of repair required by section 11.5 of this Lease, (iii) the Rental Payments accrued under this Lease but unpaid up to the time of such sale or other disposition, (iv) any and all other sums (other than Rental Payments) then owing to Lessor by Lessee and (v) the Stipulated Loss Value of the Equipment determined as of the Rental Payment Date next preceeding such sale or other disposition. The remaining balance of such proceeds, if any, shall be retained by Lessor. Lessee shall remain liable to Lessor to the extent that the aggregate amount of the sums referred to in clauses (i) through (v) above shall exceed the aggregate proceeds received by Lessor in connection with the sale or disposition of the Equipment.

15.4 OTHER REMEDIES. Exercise any other remedy specifically granted hereunder or now or hereafter existing in equity or at law, by virtue of statute or otherwise.

16 MISCELLANEOUS. In addition to the foregoing Lessor and Lessee agree as follows:

16.1 PERFORMANCE OF LESSEE'S OBLIGATIONS. If Lessee shall fail to make payment or perform any act required by this Lease, Lessor may, but shall not be obligated to, make such payment or perform such act for the account of and at the expense of Lessee, without notice to or demand upon Lessee and without waiving or releasing any obligation or default. Lessee shall indemnify and hold harmless Lessor from and against all losses and expenses (including, but not limited to, attorneys' fees) suffered or incurred by Lessor by reason of any acts performed by it pursuant to this subsection; and Lessee shall pay to Lessor, upon demand, all sums expended by Lessor pursuant to this subsection or with respect to which it shall be entitled to be indemnified, plus interest thereon, at an annual rate equal to the sum of (i) the Prime Rate plus (ii) four percent (4%) or at the maximum contract rate as may be applicable to Lessor, from the date on which such sums are expended by Lessor to the date on which Lessor receives such payment from Lessee.

16.2 FURTHER ASSURANCES. Lessee agrees that at any time, and from time to time, after the execution and delivery of this Lease, it shall, upon request of Lessor, execute and deliver such further documents and do such further acts and things as Lessor may reasonably request in order to fully effect the purposes of this Lease, including but not limited to, any and all information necessary to enable Lessor to properly complete and file tax returns for any and all states or political subdivisions. Without limiting the generality of the foregoing, Lessee shall cause this Lease to be kept, or any UCC-1's to be filed and recorded in such places as Lessor may reasonably request in order to perfect and preserve Lessor's rights hereunder.

16.3 RIGHTS, REMEDIES, POWERS. Each and every right, remedy and power granted to Lessor hereunder shall not be exclusive but shall be cumulative and in addition to any other right, remedy or power herein specifically granted or now or hereafter existing in equity, at law, by virtue of statute or otherwise and may be exercised by Lessor from time to time concurrently or independently and as often and in such order as Lessor may deem expedient. Any failure or delay on the part of Lessor in exercising any such right, remedy or power, or abandonment or discontinuance of steps to enforce the same, shall not operate as a waiver thereof or affect Lessor's right thereafter to exercise the same, and any single or partial exercise of any such right, remedy or power shall not preclude any other or further exercise thereof or the exercise of any other right, remedy or power.

16.4 MODIFICATION, WAIVER, CONSENT. Any modification or waiver of any provision of this Lease, or any consent to any departure by Lessee therefrom shall not be effective in any event unless the same is in writing and signed by Lessor, and then such modification, waiver or consent shall be effective only in the specific instance and for the specific purpose given. Any notice to or demand on Lessee in any event not specifically required of Lessor hereunder shall not entitle Lessee to any other or further notice or demand in the same, similar or other circumstances unless specifically required hereunder.

16.5 COMMUNICATIONS. Any notice, request, demand, consent, approval or other communication provided or permitted hereunder shall be in writing and be given by personal delivery or sent by United States first class mail, postage prepaid (in which case such communication shall be deemed effective on the second day after mailing), addressed as follows:

if to Lessor: American Fletcher Leasing Corporation
111 Monument Circle, Suite 510
Indianapolis, Indiana 46277

if to Lessee: Evans Railcar Leasing Company
2550 Golf Road
Rolling Meadows, Illinois 60008
Attn: Paul R. Leak

provided, however, that either party may change its address for purposes of receipt of any such communication by giving ten (10) days' written notice of such change to the other party in the manner above prescribed.

16.6 GOVERNING LAW; VENUE. This Lease shall be deemed to have been made under and shall be governed by, the laws of the State of Illinois in all

respects, including matters of construction, validity and performance.

16.7 SEVERABILITY. If any provision of this Lease is prohibited by, or is unlawful or unenforceable under, any applicable law of any jurisdiction, such provision shall, as to such jurisdiction, be ineffective to the extent of such prohibition without invalidating the remaining provisions hereof; provided, however, that any such prohibition in any jurisdiction shall not invalidate such provision in any other jurisdiction; and provided further, that where the provision of any such applicable law may be waived, they hereby are waived by Lessee to the full extent permitted by law to the end that this Lease shall be deemed to be a valid and binding agreement in accordance with its terms.

16.8 ENTIRE AGREEMENT. This Lease contains the entire agreement between Lessor and Lessee with respect to the subject matter hereof and supersedes and cancels any prior understandings and agreements between Lessor and Lessee with respect thereto.

16.9 COUNTERPARTS. This Lease may be executed in counterparts, and each such counterpart shall, for all purposes, constitute one agreement binding upon the parties hereto, notwithstanding that such parties are not signatory in the same counterpart.

16.10 SURVIVAL. The representations, warranties, indemnities and agreements of the Lessee provided for in this Lease, and the Lessee's obligations under any and all such representations, warranties, indemnities and agreements, shall survive the return of the Equipment to Lessor and the expiration or other termination of this Lease.

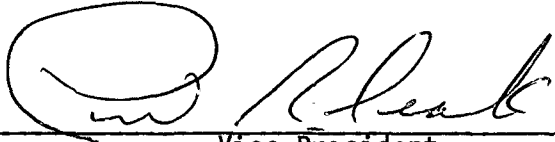
16.11 GENDER; NUMBER; JOINT AND SEVERAL LIABILITY. Whenever the context of this Lease requires, the neuter gender includes the feminine or masculine and the singular number includes the plural; and, whenever the word "Lessor" is used herein, it shall include all assignees of Lessor, it being understood that specific reference to "assignee" in section 11.19 above is for further emphasis. If there is more than one Lessee named in this Lease, the liability of each shall be joint and several.

16.12 TIME. Time is of the essence of this Lease and all of its provisions.

16.13 SECTION HEADINGS, ETC. Section headings are inserted for convenience only and shall not affect any construction or interpretation of this Lease. All references herein to sections, paragraphs, clauses and other subdivisions refer to the corresponding sections, paragraphs, clauses and other subdivisions of this Lease; and the words "herein", "hereof", "hereby", "hereunder", and words of similar import refer to this Lease as a whole and not to any particular section, paragraph, clause or other subdivision hereof. All exhibits, appendixes, or schedules attached hereto and referred to herein shall be deemed a part of this Lease.

IN WITNESS WHEREOF, Lessor and Lessee have executed this Lease.

EVANS RAILCAR LEASING COMPANY ("Lessee")

By: _____
Vice President

AMERICAN FLETCHER LEASING CORPORATION ("Lessor")

By:  V.P._____
V.P.

ACKNOWLEDGMENT

STATE OF Indiana)
) SS:
COUNTY OF Marion)

ON THIS 17th day of May, 1983, before
me personally appeared Michael P. Mattasits, to
me personally known, who being by me duly sworn, says that he is
the Vice President of American Fletcher Leasing Corporation,
that the seal affixed to the foregoing instrument is the corporate seal of
said corporation, that said instrument was signed and sealed on behalf of said
corporation by authority of its Board of Directors, and he acknowledged that
the execution of the foregoing instrument was the free act and deed of said
corporation.

My Commission Expires:

9-6-86

Kathy R. Stoll
County of Residence: Marion

0400D/0725A
psp

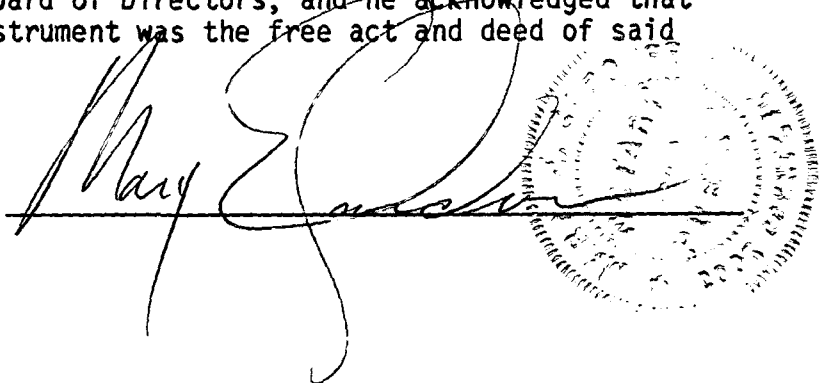
ACKNOWLEDGMENT

STATE OF ILLINOIS)
) SS:
COUNTY OF COOK)

ON THIS 18th day of May, 1983, before me personally appeared Paul R. Leak, to me personally known, who being by me duly sworn, says that he is the Vice President of Evans Trailer Leasing Company, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

My Commission Expires:

April 15, 1984

A handwritten signature, likely of the notary, is written over a horizontal line. To the right of the signature is a circular notary seal, which is partially obscured and difficult to read.

0400D/0725A
psp

SCHEDULE A
to the
Equipment Lease Agreement
dated as of April 25, 1983
between
American Fletcher Leasing Corporation ("Lessor")
and
Evans Railcar Leasing Company ("Lessee")

DESCRIPTION OF EQUIPMENT

The Equipment covered by the Equipment Lease Agreement identified above is as follows:

<u>QUANTITY</u>	<u>UNIT DESCRIPTION</u>	
Sixty (60)	21,000 gallon general purpose insulated heater-piped tank cars bearing the following specifications and dimensions:	
	<u>DOT CLASS</u>	
	T11A100W-3	
	<u>CAPACITY AND WEIGHT</u>	
	Nominal Capacity in Gallons	21,000
	Shell Capacity in Gallons (nominal + 2% outage)	21,004
	Allowable Weight Per Gallon, lbs.	9.32
	Lightweight, lbs.	71,000
	Capacity, lbs.	192,000
	Maximum Weight on Rail, lbs.	263,000
	<u>HEATER PIPES</u>	
	Design	Exterior Heater
	Inlets and Outlets	Two 2" inlets; Two 2" Outlets
	Number of Runs	12 Runs-6" 1/2 Oval
	<u>INSULATION</u>	
	Thickness & Type	4" Fiberglass
	Jacket	11 Gauge Steel
	<u>TOP FITTINGS</u>	
	Manway	20"
	Top Unloading Valve	2" Ball, Screwed, S.S. Ball & Stem 2" Steel
	Siphon Pipe	Visual Bar-Steel
	Gauging Device	75 P.S.I.
	Safety Valve	Stainless Steel
	Vacuum Relief Valve	
	<u>BOTTOM FITTINGS</u>	
	Bottom Unloading Valve	30 Units with 6" Clapper and 30 Units with 3" Ball (Alt.) Bottom Operated with/C.S. Fittings
	Valve Connection	4" Adapter with 2" Plug

Car Reporting Marks USLX 22231-22290

SCHEDULE B (page 1 of 4)
to the
Equipment Lease Agreement
dated as of April 25, 1983
between
American Fletcher Leasing Corporation ("Lessor")
and
Evans Railcar Leasing Company ("Lessee")

STIPULATED LOSS VALUES

The Stipulated Loss Value of a Unit of Equipment covered by the Equipment Lease Agreement identified above, as of any date, shall be an amount equal to the product of (i) the Original Cost of such Unit (as specified in the Supplement to such Agreement covering such Unit) and (ii) the percentage indicated below opposite the Rental Payment Period into which such date falls.

<u>RENTAL PAYMENT PERIOD</u>	<u>PERCENTAGE</u>
Interim Rental Payment Period	102.1
1	102.1
2	102.3
3	102.6
4	102.8
5	103.0
6	103.2
7	103.4
8	103.5
9	103.7
10	103.8
11	104.0
12	104.3
13	101.2
14	101.3
15	101.3
16	101.4
17	101.5
18	101.6
19	101.6
20	101.7
21	101.7
22	101.7
23	101.8
24	101.8
25	98.8
26	98.8
27	98.8

<u>RENTAL PAYMENT PERIOD</u>	<u>PERCENTAGE</u>
28	98.8
29	98.8
30	98.8
31	98.7
32	98.7
33	98.7
34	98.6
35	98.5
36	98.5
37	95.4
38	95.4
39	95.3
40	95.2
41	95.1
42	95.0
43	94.9
44	94.8
45	94.6
46	94.5
47	94.4
48	94.2
49	91.1
50	92.0
51	90.8
52	90.6
53	90.4
54	90.3
55	90.1
56	89.9
57	89.7
58	89.5
59	89.2
60	89.0
61	85.8
62	85.6
63	85.3
64	85.1
65	84.8
66	84.5
67	84.2
68	84.0
69	83.7
70	83.4
71	83.0
72	82.7
73	82.4

<u>RENTAL PAYMENT PERIOD</u>	<u>PERCENTAGE</u>
74	82.1
75	81.7
76	81.4
77	81.0
78	80.6
79	80.3
80	79.9
81	79.5
82	79.1
83	78.7
84	78.3
85	77.8
86	77.4
87	77.0
88	76.5
89	76.1
90	75.6
91	75.1
92	74.6
93	74.2
94	73.7
95	73.1
96	72.6
97	72.1
98	71.6
99	71.0
100	70.4
101	69.9
102	69.3
103	68.7
104	68.1
105	67.5
106	66.9
107	66.3
108	65.7
109	65.0
110	64.4
111	63.7
112	63.0
113	62.3
114	61.6
115	60.9
116	60.2
117	59.5
118	58.8
119	58.0

<u>RENTAL PAYMENT PERIOD</u>	<u>PERCENTAGE</u>
120	57.3
121	56.5
122	55.7
123	53.9
124	54.1
125	53.4
126	52.6
127	51.8
128	50.9
129	50.1
130	49.3
131	48.5
132	47.7
133	46.8
134	45.9
135	45.1
136	44.2
137	43.4
138	42.5
139	41.6
140	40.7
141	39.8
142	38.9
143	38.0
144	37.1
145	36.2
146	35.2
147	34.3
148	33.4
149	32.6
150	31.7

Thereafter, and until such time that such Unit has been surrendered to Lessor as set forth in the Lease, the Stipulated Loss Value of such Unit shall be 30.0% of the Original Cost thereof.

0400D/0725A

SCHEDULE C

(page 1 of 2)

to
Equipment Lease Agreement
dated as of
April 25, 1983

between
American Fletcher Leasing Corporation ("Lessor")
and
Evans Railcar Leasing Company ("Lessee")
Supplement No. 1

to
Equipment Lease Agreement
dated as of
April 25, 1983

between
American Fletcher Leasing Corporation ("Lessor")
and
Evans Railcar Leasing Company ("Lessee")

Lessee and Lessor have entered into the Equipment Lease Agreement identified above (hereinafter called the "Lease") pursuant to which Lessor has agreed to lease unto Lessee, and Lessee has agreed to lease from Lessor, subject to the terms and conditions of the Lease, the Units of Equipment described in Supplements thereto.

NOW, THEREFORE, Lessor and Lessee, by entering into this Supplement to the Lease, hereby confirm as follows:

1. Units. The Units of Equipment described in Exhibit A hereto (hereinafter called the "Units") have been delivered and leased by Lessor to Lessee, and are accepted by Lessee, pursuant to the terms of the Lease.

2. Lease Term.

(a) The Date of Acceptance and the date of commencement of the Term of Lease with respect to the Units is _____.

(b) The date of termination of such term, subject to the provisions of section 11.7 of the Lease, is November 30, 1995.

3. Interim Rent. For the use of each Unit during the period beginning on the Date of Acceptance of such Unit and ending on May 31, 1983, Lessee covenants and agrees to pay to Lessor a rental payment, (hereinafter referred to as "Interim Rent"), in an amount equal to (a) the product of (i) the Original Cost of such Unit and (ii) 0.040% (b) multiplied by the number of days such Unit is subject to the Lease to and including May 31, 1983. The Interim Rent shall be due and payable with the initial payment of Basic Rent.

Basic Rent. With respect to the each Unit, Lessee covenants and agrees to pay to Lessor, as rental for each Unit, one hundred and fifty (150) consecutive monthly rental payments (herein referred to as "Rental Payment" or in the aggregate as "Rental Payments") in arrears, each such Rental Payment being in an amount equal to 1.20% of the Original Cost of such

SCHEDULE C
to
Equipment Lease Agreement

(page 1 of 2)

Unit, payable on the last day of each calender month beginning on June 30, 1983 and ending on November 30, 1995.

4. Delivery and Acceptance. The Equipment has been delivered to and received by Lessee subject to the Lease and no further delivery or acceptance pursuant to the Lease is necessary.

American Fletcher Leasing Corporation ("Lessor")

By _____

Evans Railcar Leasing Company ("Lessee")

By _____ Dated _____
Vice President

0400D/0725A
psp

EXHIBIT A
to
Supplement No. 1
to
Equipment Lease Agreement
dated as of
April 25, 1983
between
American Fletcher Leasing Corporation ("Lessor")
and
Evans Railcar Leasing Company ("Lessee")

<u>QUANTITY</u>	<u>UNIT DESCRIPTION</u>	<u>ORIGINAL COST (of each Unit)</u>
60	21,000 gallon general purpose insulated heater-piped tank car	\$55,000

The aggregate Original Cost of the Units described in this Exhibit A is
\$3,300,000.00.

0400D/0725A
psp